

Message Text

CONFIDENTIAL

PAGE 01 RANGOO 01068 090415 Z

11

ACTION EB-11

INFO OCT-01 EA-11 ADP-00 AID-20 NSC-10 RSC-01 CIEP-02

TRSE-00 SS-15 STR-08 OMB-01 CEA-02 L-03 H-02 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 PA-03 PRS-01 USIA-12 RSR-01 /142 W

----- 010532

R 090325 Z MAY 73

FM AMEMBASSY RANGOON

TO SECSTATE WASHDC 6732

INFO AMEMBASSY TOKYO

C O N F I D E N T I A L RANGOON 1068

E. O. 11652: GDS

TAGS: EFIN BM

SUBJECT: BURMESE FOREIGN EXCHANGE RESERVES

REF: (A) RANGOON 748; (B) CERP D

1. PLANNING AND FINANCE MINISTER U LWIN LAST MONTH SUPPLIED FIGURES ON SIZE AND MAKEUP OF BURMESE FOREIGN EXCHANGE RESERVES TO JAPANESE AMBASSADOR. JAPANESE EMBOFF RECENTLY PROVIDED COPY TO ANOTHER EMBASSY WHICH HAS MADE IT AVAILABLE TO US. FOL RESERVE FIGURES ARE FOR END OF FEBRUARY 1973. ORIGINAL FIGURES PROVIDED BY U LWIN WERE IN KYATS ONLY; DOLLAR EQUIVALENTS ARE COMPUTED BY EMBASSY AT OFFICIAL KYAT- DOLLAR EXCHANGE RATE IN EFFECT AT END OF FEBRUARY (K4.8138 TO \$1).

2. THOUSAND KYATS MILLION DOLLARS

GOLD	65,113	13.5
DOLLARS U. S.	17,337	3.6
D- MARKS	64,970	13.5
SWISS FRANCS	516	1.1
FRENCH FRANCS	631	1.3
STERLING	31,868	6.6
OTHERS INCLUDING		

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 RANGOO 01068 090415 Z

SDR' S	47,918	9.9
SHORT- TERM		
BILLS RECEIVABLE	37,830	7.9
TOTAL	266,183	55.3

3. WE BELIEVE LAST ITEM (BILLS RECEIVABLE) IS NOT INCLUDED IN IMF DEFINITION OF FOREIGN EXCHANGE RESERVES, THOUGH IT WAS ROUTINELY INCLUDED IN BURMESE RESERVE STATISTICS WHEN THESE WERE PUBLISHED (UP TO 1971). IF THIS ITEM IS EXCLUDED RESERVES HAVE DECLINED APPRECIABLY SINCE LAST FIGURES PUBLISHED IN IFS (TOTAL OF 56.1 MILLION).

4. GOLD IN ABOVE FIGURES IS VALUED AT OFFICIAL RATE, THOUGH IN FACT GUB IS CONTINUING TO SELL GOLD ON OPEN MARKET AT TWICE OFFICIAL RATE. ON THE OTHER HAND, ABOVE FIGURES DO NOT RPT NOT TAKE INTO ACCOUNT SHORT- TERM INDEBTEDNESS (MOSTLY IN FORM OF ZRNKERS' ACCEPTANCES). IN MID-1972, THIS INDEBTEDNESS TO WESTERN BANKS AMOUNTED TO APPROXIMATELY \$10 MILLION; ROUGHLY ANOTHER \$20 MILLION (NOT NECESSARILY ALL OF IT SHORT- TERM) TO INTERNATIONAL BANK FOR ECONOMIC COOPERATION, MOSCOW. ACCORDING TO JAPANESE AMBASSADOR (REF A, U LWIN TOLD HIM END- JANUARY GUB RESERVES AMOUNTED TO \$28 MILLION. APPARENTLY THIS FIGURE IS FOR NET RESERVES. ASSUMING THERE WAS NO MAJOR CHANGE IN FEBRUARY, SHORT- TERM INDEBTEDNESS AT END OF THAT MONTH WOULD HAVE BEEN AROUND

\$27 MILLION.

4. COMMENT: GUB FOREX POSITION IS SERIOUS, ESPECIALLY SINCE IT CANNOT EXPECT SIGNIFICANT FURTHER RECEIPTS FROM RICE SALES IN

1973. HOWEVER, IF ABOVE FIGURES ARE ACCURATE POSITION DOES NOT RPT NOT APPEAR IMMEDIATELY CRITICAL, ESPECIALLY IF JAPANESE ARE WILLING TO PROVIDE ANOTHER COMMODITY LOAN. GUB CONTINUES TO FOLLOW POLICY OF EXTREME RESTRICTION OF IMPORTS, AND AT THIS LOW LEVEL GROSS RESERVES ARE ON THE ORDER OF THREE MONTHS' IMPORTS. MARTIN

CONFIDENTIAL
NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973RANGOO01068
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GDS
Errors: n/a
Film Number: n/a
From: RANGOON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730541/aaaaiqyx.tel
Line Count: 100
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 RANGOON 748
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
Review Date: 07 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Nov-2001 by smithrj>; APPROVED <27-Nov-2001 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 980122
Subject: BURMESE FOREIGN EXCHANGE RESERVES
TAGS: EFIN, BM
To: EB
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005